When a packet arrives at the Packet Input (10) it is placed into a PDV Buffer (12) in a Queue (14). It also has its timestamp extracted (11) and passed to a Differencer (16). The Remote timestamp is determined at the source device when the packet is created, by counting periods of the source TDM clock $f_{service}$ shown in Figure 1. The Local Timestamp is determined, when the packet is received, by counting periods of the local TDM clock $f_{regen}$ also shown in Figure 1.

At page 11 at line 2, insert the following paragraph:    What is claimed is:

ABSTRACT

At page 15 at line 2, delete the heading as follows:    ~~Adaptive Clock Recovery~~

Please substitute the paragraph beginning on page 15, line 4 (i.e., the first full paragraph on page 15) with the following paragraph:

A method of recovering a clock signal for a TDM output from packets of TDM data which have been transmitted over a packet network, from a source having a source TDM clock to a destination having a destination TDM clock, ~~comprises:.~~ The method includes providing at least some packets with a Remote Timestamp representing the state of the source TDM clock when the packet is created; providing said at least some packets with a Local Timestamp representing the state of the destination TDM clock when the packet is received; determining a Transit Time value representing the difference between said Local and Remote Timestamps; and controlling the clock frequency of the TDM output on the basis of said Transit Time as determined above.

At page 15 at line 16, delete the following paragraph:    ~~Refer to Figure 2.~~

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